

SAM - INCOME**CHAPTER 8200 INDEX**

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REVENUE

8210

(Revised 2/1999)

During the fiscal year, revenue accounts will be credited on a cash basis as of the date the remittances received or amounts transferred from other funds are determined to be earned.

Amounts due the State and earned as of June 30, **whether billed or unbilled**, will be accrued as revenue if it is estimated to be collected within the ensuing fiscal year (see SAM 10610). For those amounts that are unbilled, the receivable will also be accrued (see SAM 10602). Amounts earned but estimated not to be collected within the ensuing fiscal year will be fully deferred and will not be accrued as revenue.

Adjustments will be made to the June 30 account balances if it is determined in July that cash received on or before June 30 was actually earned prior to July 1. If these amounts were originally recorded as an accounts receivable, the receivable will also be reduced.

Unless otherwise provided, cash received is earned as follows:

1. Fees for an original or renewal registration, license, permit, or certificate are earned upon registration or issuance unless a renewal receipt is issued in a fiscal year which precedes the first day of the renewal year. Agencies will account for the issuance of renewal receipts as follows:
 - a. Credit the revenue account of the fiscal year in which the renewal receipt is issued if the renewal receipt is issued in the same fiscal year as the renewal year.
 - b. Credit a revenue collected in advance account if the renewal receipt is issued in a fiscal year which precedes the first day of the renewal year.
2. An application fee, filing fee, or other fee which by law or administrative practice is not subject to refund is earned when the remittance is received.
3. A fee for a specific service is earned upon the performance of the service.

(Continued)

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SUBSIDIARY REVENUE ACCOUNTING

8212

(Revised 2/1999)

Subsidiary revenue accounts will be maintained in a Revenue Ledger. Entries to these subsidiary accounts will be made monthly from distribution column totals in the General Cash Receipts Register, Clearance Register, Claims Filed Register, or from journal entries. Where subsidiary revenue accounts are so numerous as to make recording of revenue by type in registers unwieldy, only daily revenue totals will be recorded in the registers. The analysis of such amounts will be posted to the Revenue Ledger from the detail shown on collections reports, clearance documents, revenue refund claims, etc.

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SUBSIDIARY OPERATING REVENUE ACCOUNTING

8214

(Revised 2/1999)

Subsidiaries for operating revenue accounts will be maintained in an Operating Revenue Ledger. Entries to these subsidiary accounts will be made monthly from distribution column totals in the General Cash Receipts Register, Clearance Register, Claims Filed Register, or from journal entries. Where subsidiary revenue accounts are so numerous as to make recording of revenue by type in registers unwieldy, only daily revenue totals will be recorded in the registers. The analysis of such amounts will be posted to the Operating Revenue Ledger from the detail shown on collection reports, clearance documents, revenue refund claims, etc.

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REFUNDS

8240

(Revised 2/1999)

Refunds are generally authorized by Government Code (GC) Sections 13140 through 13144. Any fee or excess payment may be refunded (a) from any unremitted balance of receipts of the same nature in the state agency's checking account or (b) from the revenue account in the fund where the original receipt was credited. Individual refund claims in excess of \$10,000 which will be submitted to the SCO for payment must be approved in advance by the DOF and the SCO prior to submission.

Refund Claims

Claim schedules filed for refunds of revenue will be processed as follows:

Refunds of amounts that were remitted in a previous fiscal year or as prior year revenue will be filed against the prior year revenue account. Refunds of amounts that were remitted in the current fiscal year as current year revenue will be filed against the current year revenue account.

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STATE CONTROLLER'S WARRANTS

8281

(Revised 12/2003)

State Controller's warrants that remain uncashed for one year will be cancelled by the SCO and credited to an escheat revenue account in the fund from which they were drawn.

State Controller's warrants that have been returned as unclaimed and for which the claimant cannot be located will also be cancelled and remitted to an escheat revenue account in the fund from which they were drawn.

Agencies will maintain a subsidiary ledger of all amounts credited to and disbursed from the escheat revenue accounts. Subsequent claims made by payees within 2 years of the date the warrant was cancelled will be processed by filing a claim schedule against an escheat revenue account. For those amounts credited in the current fiscal year, the claim schedule shall be filed against the current year escheat revenue account. For those amounts credited in a prior fiscal year, the claim schedule shall be filed against the prior year escheat revenue account. The SCO will process the claims regardless of the balances in the escheat revenue accounts.

Expenditure claims made by payees more than 2 years after the cancellation date of the warrants will be processed in the same manner as claims against a reverted appropriation (See SAM Section 8422.7). Revenue refund claims by payees more than 2 years after the cancellation date of the warrants will be processed in accordance with SAM Section 8240.

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REVENUE FROM INVESTMENTS

8284

(Revised 3/1987)

Upon receipt of interest on investment securities, SCO will issue to agencies concerned a SCO receipt showing the amount of interest received and appropriate adjustments of accrued interest purchased, premium, and discount. The entry will be recorded by the agency as of the month indicated by SCO receipt. The scientific method for amortization of premium and discount is used.

Early in July of each year, SCO will issue to agencies concerned adjusting journal entries to accrue income to June 30 of the prior year on both interest bearing and non-interest bearing securities. Agencies will record these entries as of June 30.

(Separate arrangements have been made with agencies accounting the State Compensation Insurance Fund, Legislators' Retirement Fund, State Employees' Retirement Fund, and Teachers' Retirement Fund.)

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CONDEMNATION DEPOSITS FUND

8284.2

(Revised 6/2004)

Interest on investments of the Condemnation Deposits Fund is apportioned quarterly by the SCO (GC Section 16429).

Agencies that have deposited moneys in the Condemnation Deposits Fund will account for interest revenue transferred from that fund in the same manner as described in SAM Section 8284.1 for surplus money investments.

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PROPER CREDITING OF ABATEMENTS AND REIMBURSEMENTS

8287

(Revised 2/1999)

Unless otherwise provided by law, abatements and reimbursements will be credited to appropriations as follows: Abatements will be credited back to the appropriation from which they were drawn. Reimbursements for services will be credited back to the appropriation current at the time the expense was incurred in performing such service.

If the appropriation to which an abatement or reimbursement is properly creditable has reverted, the credit will be to Account No. 9891, Refunds to Reverted Appropriations. See SAM Section 10473.

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BILLED ACCOUNTS RECEIVABLE (Revised 3/1987)

8290.1

Billed accounts receivable are those receivables represented by an invoice and established in an accounts receivable account. This includes interest on accounts receivable actually applied as of June 30 and assessments actually established in accounts receivable even though the protest period has not expired.

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INTEREST ON LOANS (Revised 3/1987)

8290.3

Interest earned as of June 30 on loans to other funds and other governmental jurisdictions will be recorded in accounts receivable and be accrued as of that date. For interfund loans, the agency accounting the interest revenue will inform the borrowing agency of the amount for it to accrue as an expense of the fiscal year just ended.

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INTERFUND TRANSFERS

8290.6

(Revised 3/1987)

Amounts transferable as of June 30 and revenue accrued as of June 30 that will be transferred to other funds when collected will be accrued as Account No. 9812, Operating Transfers Out, by the transferer fund and Account No. 9811, Operating Transfers In, by transferee fund.

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ROUNDING FIGURES

8299.1

(Revised 2/1999)

Government Code Section 16302.2 provides that "Upon approval of the Director of Finance, any state agency with respect to any amount required to be shown on any form prescribed by the agency, or any amount of credit or refund, or any amount to be collected as a deficiency or underpayment of any tax, penalty, interest, license or other fee, or any other payment, may provide by regulation for the disregard of the fractional part of a dollar, unless it amounts to fifty cents (\$0.50) or more, in which case it shall be increased to one dollar (\$1)."

Requests for approval should be sent to Department of Finance, Fiscal Systems and Consulting Unit.